



**MARATHON ASHLAND Petroleum LLC**

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October 31, 2001

Mr. James L. Connaughton, Chair  
Council on Environmental Quality  
Executive Office of the President  
Attn.: Task Force  
17th and G Streets, NW  
Washington, D.C. 20503

Dear Mr. Chairman:

**Re: Council on Environmental Quality's Notice and Request for Comments on  
the Energy Task Force (66 FR 161, August 20, 2001)**

Pursuant to the Executive Order 13212 establishing a federal interagency Task Force to evaluate energy related permitting issues, Marathon Ashland Petroleum LLC (MAP) appreciates this opportunity to present comments concerning the need to streamline the permitting process. Additionally, MAP supports the comments previously submitted by the American Petroleum Institute concerning this issue.

MAP is a domestic refining, marketing and transportation company which owns and operates seven refineries with an aggregate refining capacity of approximately 935,000 barrels of crude oil per day. MAP operates a system of pipelines and 93 terminals to provide crude oil to its refineries and refined products to its marketing areas.

As a petroleum refiner and marketer, MAP currently holds numerous permits for our facilities. As new projects are initiated, our Company is required to enter into the permitting process to modify our existing permits and to obtain new permits. MAP believes that the permit process can be addressed in a more effective and efficient manner to move projects forward at a faster pace and continue to do so in an environmentally sound manner.

As currently administered, the permitting process may involve coordination and cooperation among numerous agencies. Lack of interaction among these agencies can result in significant time delay, repetitive work and poor use of resources for both the company and the agencies. Many times, it can take anywhere from a couple of months to several years to acquire the necessary permits to implement a project. With upcoming clean fuels projects mandated by EPA to improve air quality as well as numerous opportunities to increase supplies of petroleum products, a streamlined permitting process is essential to ensure these projects are implemented in a timely manner.

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An example of the need for coordinated agency actions is in the Nationwide Permit (NWP) process. To receive a NWP, involvement and input on the part of numerous agencies is required. A company works through each of the individual agencies involved to address their specific concerns and issues which results in repetitive activities and the lack of an agency which champions the effort to advance the permit completion. Resources could be utilized more appropriately if the agencies worked together in a coordinated fashion to issue the necessary permits saving both manpower in the agencies and the company. Use of the NWP should be encouraged and supported to enable energy infrastructure improvement projects, such as pipelines, to move forward to meet the rising demands of the consumers.

Additionally, the New Source Review (NSR) reform effort that is currently underway must continue forward to establish clearer rules so that industry fully understands how to implement the program. There are many inconsistencies concerning interpretation among the different agencies which results in uncertainty on the part of the industry. The significant time delay associated with the NSR permitting process is a large hindrance to the industry's ability to make improvements and complete necessary projects to address the energy concerns.

MAP welcomes the opportunity to meet with the interagency Task Force to discuss specific examples of projects where the permitting process has been an impediment to improving supplies and the environment. MAP believes that there is significant potential to improve the overall process, and hopes that the interagency Task Force would conduct a thorough evaluation and make recommendations that improve and streamline the entire process.

MAP is pleased that the Task Force was created to address the critical permitting issues which affect the energy industry. We look forward to a more streamlined permitting process which supports environmental improvement and addresses the long-term energy supply needs of our nation. Thank you for the opportunity to comment on this important issue. Should you wish to arrange a meeting, please contact Patricia Richards at 202/783-6755.

Sincerely,



Randy K. Lohoff  
Senior Vice President  
Health, Environment & Safety and Public Affairs

RKL:paw

cc: Patricia Richards – USX Corporation, Washington, D.C.